#### INITIAL STATEMENT OF REASONS

### TITLE 13, ARTICLE 3.2. REGISTRATION OF VESSELS

The department proposes to amend sections 190.32, 190.34, 190.36, and 190.38 of Article 3.2, Chapter 1, Division 1, Title 13 of the California Code of Regulations.

The department has determined that forms OL 54 (9/94) and OL 261 (11/94) were generally issued concurrently to applicants for appointment as Undocumented Vessel Registration Agents. Therefore, these forms should be combined into one form. This form would now be referred to as Application for Appointment and Agreement as a Non-Public Undocumented Vessel Registration Agent, Form OL 54 (REV. 3/2003).

References to the OL 54, by title, would be amended to reflect the new title and revision date in subparagraphs 190.32 (a) and (b) and 190.34 (a) (4).

## §190.32. Application for Appointment as an Undocumented Vessel Registration Agent.

Due to rearrangement of information required on the form, subparagraph (b) (5) has been amended to include the requirement for the Board of Equalization resale number. This is requirement was moved from subparagraph (b) (12).

Subparagraph (b) (6) would now request the limited liability company or corporate number. These numbers are issued by the California Secretary of State. This information would be used to verify a corporation's good standing to conduct business in the state of California. This information would replace the need for the previous language in subparagraph (b)(7) since out-of-state corporations cannot legally transact business in the State of California unless they are properly registered with the Secretary of State.

Subparagraph (b) (7) would request an indication of the structure of the business – whether it is operated as a sole ownership, limited liability company, partnership, or association. This request for information was previously located in subparagraph (b) (6).

Subparagraph (b) (8) would be amended to include the option of providing an identification card number in the event an individual does not possess a driver license. The requirement for this information would be expanded to include all association representatives (if the applicant is an association). The requirement in subparagraph (b) (8) (A) would be relocated to subparagraph (b) (12) (B).

Subparagraph (b) (9) would be amended deleting the bankruptcy information, which would be relocated to subparagraph (b) (11), and adding text regarding any previous licenses issued by the department. This information is currently requested in subparagraph (b) (11).

Subparagraph (b) (10) would be amended for the purpose of clarity and subparagraph (b) (13) would be renumbered to (b) (12).

### §190.36. Duties of Undocumented Vessel Registration Agents.

Subparagraph (a) (2) (A) is amended to correct a typographical error. Subparagraph (a) (2) (B) would be amended to make a minor correction in punctuation.

Subparagraph (a) (3) would be amended to identify the location of the Agreement for Appointment as an Undocumented Vessel Registration Agency to represent the Department of Motor Vehicles. This document was formerly the OL 261 and contains specific information regarding the Agent's duties and responsibilities.

# §190.38. Agreement for Appointment as an Undocumented Vessel Registration Agent.

Subparagraph (a) would also be amended to identify the location of the Agreement for Appointment as an Undocumented Vessel Registration Agency to represent the Department of Motor Vehicles that contains specific information regarding the Agent's duties and responsibilities.